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ABSTRACT

Approaches used by linguists to examine the way in which speakers or writers modify their commitment to the propositional content of their utterances are discussed, and it is noted that a frequent criticism is the failure of inexperienced speakers or writers to modulate their utterances properly. This paper considers economic reports and in particular the forecasts that are their key features. Economics forecasters are shown to have three ways of modifying their commitment to a prediction: by hedging, using such modal verbs as "may" or other lexical items such as "possibly"; by attribution; and by specifying conditions. Examples of each are discussed. It is concluded that since forecasting is such an important part of economics activity outside the academic area, a clear understanding of its form and function is important for teachers training students working in the economics field, as well as those concerned with communications for native speaker economics. Contains 17 references. (LB)

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PLAYING SAFE WITH PREDICTIONS: HEDGING, ATTRIBUTION AND CONDITIONS IN ECONOMIC FORECASTING

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Introduction

In the last few years, linguists have addressed themselves increasingly to the way in which speakers or writers modify their commitment to the propositional content of their utterances. Stubbs (1986:1), calling for 'prolonged fieldwork' in the area of modality in English, brings together a wide range of phenomena by means of which 'whenever speakers (or writers) say anything, they encode their point of view towards it'. Holmes, speaking at an earlier BAAL conference, observed that

> 'contents of debate and discussion, speculation and hypothesis, for instance, are rich in lexical items functioning to express the speaker's confidence or reservation concerning the validity of the information asserted.' (Holmes 1983:106)

In the ESP field, a number of writers, building on Lakoff's seminal paper on 'hedging', have examined the occurrence of 'words whose job is to make things fuzzier or less fuzzy' (Lakoff 1973). Prince et al (1982), in a somewhat prescriptive vein, report on the occurrence of these phenomena in professional discussions among physicians. Rounds (1981) points out the positive aspects of 'hedging' and indicates its importance in the learning of English for academic purposes, an approach echoed by Skelton (1986), who adds proposals for appropriate testing strategies.

A point frequently made in the discussion of academic writing, particularly of journal articles, is that authors need to be cautious in their claims, and it is a common weakness of inexperienced writers, in particular non-native speakers, to fail to modulate their utterances appropriately. To quote Rounds:

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> 'A researcher's reputation is made or broken on the basis of his publications, therefore he must be very careful how he states his claims.' (Rounds 1982:1)

In this paper, we consider not academic research literature but economic reports, and in particular the forecasts which are the key features of these reports. It is not difficult to believe that Rounds' observation about scientific researchers applies with a vengeance to those in the business of making economic predictions. There are differences, the main one being that the authors of economic reports are anonymous, but the fact that their predictions are intended to be used as a basis for action by their readers means that the writer who too rashly commits him/herself would quickly lose more than reputation. Here it is the reporting body (Abecor, Barclays, EIU or OECD) whose reputation is at stake, and the writers and editors whose job it is to maintain that reputation.

In some ways, economics forecasts resemble weather forecasts or, for that matter, high quality horoscopes. They describe what has been going on recently; they offer some reasons for what is going to happen, they tell you what is going to happen. The difference is that the astrological fortune teller is expected to take a few chances. No one wants to be told that she might meet a dark stranger but then again she might not, whereas such ambivalence is the stock in trade of economists as it is of weather forecasting.

Economics forecasters have three ways of modifying their commitment to a prediction. These are:

by HEDGING

> for example, using modal verbs may, might, could; other lexical items such as possibly, perhaps, probably, conceivably; possible, likely, probable; suggest, seem, appear; etc

by ATTRIBUTION

> eg 1. The Minister of Finance expects a Federal Government net borrowing requirement of below DM30 billion (OECD 1984)

2. According to the most recent forecasts, the deficit as a percentage of net national income will decrease from 11.5% in 1983 to 10.7% in 1984 (IR Netherlands 1984)

by SPECIFYING CONDITIONS

eg 3. At the time of writing US prime rates are down to 11.5 per cent and will go lower still if the Federal Reserve Board ignores its monetary targets and cuts its discount rate again (WCO 1983)

Any two or all three strategies can be exploited simultaneously, and frequently are. For example, sentence 4 combines modal verb hedging (might) with conditional qualification.

4. If the dollar were to fall, contrary to the technical assumption, the forecast for real output might also be lower (OECD 1984)

There is an additional, more subtle distancing effect in the reference to 'forecast for the output' being lower, rather than the output itself, but, apart from noting it, we will not discuss this further. We will come back to the phrase 'contrary to the technical assumption' later.

Plain predictions

It is difficult to find in the data examples of what might be called 'plain predictions' comparable to the confident assertion of sentences 5 or 6 (from a journalist astrologer)[1]:

5. Friends will be your strength this month, offering advice and forceful pushes.

6. Your workload will lighten after the autumn when you will reap the benefit of your labours. Friends organise a lovely surprise for you on the 6th, which includes those closest to you.

(ESP exercise: Rewrite the above to provide adequate cover for the clairvoyant.)

Of course, an element of doubt is built into almost any proposition involving the future. Palmer (1979:53) is unusually confusing on the role of the modal verb will, which is reasonable evidence that it is a tricky question:

> 'The situation with will is rather less clear. Will may be used epistemically to refer to future events, but if it is so used it is very difficult to distinguish from the use of will simply to refer to the future... Indeed, it has been argued that, conversely the WILL of futurity is, in fact, epistemic WILL.'

Stubbs (op cit:16) mentions the use of present simple to convey 'future states of affairs which are predictable, possibly because they are part of some scheme', but such usage is not relevant to our data and Stubbs says nothing on will. For our purposes, an unhedged, unqualified, unattributed assertion with will is a prediction without an escape hatch, and it is understandable that examples are hard to find in our data.

But although the motivation for caution is clear enough, it may be that culture plays a part in this. There is a widespread folk-linguistic belief that English speakers (or perhaps the British) are systematically more tentative or indirect than speakers of many other languages, and this view is to some extent supported by cross-cultural research into politeness (eg Blum-Kulka and Olshtain 1984, Thomas 1983, Littlewood 1983. But for evidence of a discrepancy in the opposite direction between English speakers and others, see eg Tannen 1984, Loveday 1982). We have only anecdotal evidence that English language reports are more tentative than some others but there are suggested implications for ESP teaching here, and for contrastive studies. The specialist informant (see Selinker 1979 for the use of specialist informants) comments:

> 'When we get reports from the Germans for instance they say they will do this they will do that ... we soften all that.'

An unqualified assertion with will introduced by a performative such as predict or forecast (as in the first part of 7) clearly amounts to a plain prediction.

7. By the end of June 1983, we forecast that the LME price will have reached £1050 per ton, and we expect it to be £1150 by the year end, with the annual average in the region of £1050 (WCO 1983)

It is not entirely clear, however, whether the second clause, introduced by we expect, is hedged or not. Expect could be described as a fuzzy hedge. An author could perhaps argue: 'We didn't say that the price would be £1150; we only said we expected it to be £1150', but in the uncertain world of predictions, we expect is near enough to total commitment to count as a plain forecast.

Hedging and attribution

Hedging and attribution overlap when we find impersonal constructions such as It is expected. as anticipated, etc, as in sentence 8.

8. Growth is now expected to pick up a little in 1985 in both countries, reversing the downward distortion in this year's figure, but to remain generally modest at around 3% (IFS 1984)

Of course, a little and generally are typical hedges (to say nothing of the vagueness of the adjective modest), but they fall into the class which Price et al (op cit) classify as Approximators, whereas we are at present interested in Shields. The question is do we attribute the expectation to the author or not? This is an instance of the well known use of the passive without agent to evade responsibility, and yet, once again, in the event of subsequent economic developments drastically at odds with the forecast, this lack of specificity would be a poor defence. Sentence 8 can be read as an expression of authorial expectation and, given the lack of further comments, the Co-operative Principle (Grice 1975) tends to come down against the interpretation:

p is expected by some people but not by us.

But, even if we take a hard line and include impersonal structures as plain forecasts, the frequency of plain forecasts remains very low.

Where an attribution is specifically to a source other than the body producing the report, there is a clear escape from responsibility for the prediction, though as Al-Shabab and Bloor (1986) show (see also Stubbs op cit) the status of the attributee can be a significant factor in author commitment. In economics forecasting, attributed predictions are always identified with responsible sources in our appropriate context: the Exchequer, the International Energy Agency, the Australian Wool Corporation chairman. Sometimes the attribution is more general: for example, 'forecasts', 'projections', 'official forecasts' etc. Stubbs (op cit) observes that the mere fact of reporting an assertion confers some degree of credibility on it, on the 'no smoke without fire' principle, and it does seem reasonable for readers of economic reports to interpret attributed predictions as at least partially endorsed by the reporting body, even when the attributee is fairly non-specific, except when the report explicitly disassociates itself from the prediction.

Conditionals

Conditionals are not normally regarded as hedges although they resemble hedges in that, to use Skelton's (op cit) terminology, they comment on the main proposition.[2] Sometimes, a conditional is indisputably a kind of hedge, for example, in common expressions of the type if I'm not mistaken, if my old eyes don't deceive me, unless my memory plays me false. These expressions have no exact counterparts in economic reports though there is a superficial resemblance in such formulations as If we are right in believing that p ..., If p, as we anticipate ... The difference is that in the conversational cases, the condition simply means I could be wrong but I believe that p ... whereas all instances of this type in the economic forecasting data include a substantive condition external to the main prediction.

In fact, the force of this type of expression in economic forecasting, far from casting doubt on the main proposition, is to provide support for it. Thus example 10 differs from example 9 in that it contains an element of authorial support for the condition, ie it is an embedded prediction that the condition will be realised, a point on which 9 is neutral.

> 9. If the public sector borrowing requirement does not exceed the ceiling set by the authorities, total credit growth could be

reduced to 17.5 per cent in 1984, from 21 per cent in 1983. (OECD 1984)

10. If, as we anticipate, the strike is not extended, prices will rise only slowly in the final quarter. (WCO 1983)

In spite of the superficial difference in realisation, 10 closely resembles 11 in its logical structure.

11. However, our central view that there will be a rebound in both the monetary aggregates and in economic activity towards the end of the year and in early 1985 has been reinforced by the fall in interest rates. If this view is borne out, market expectations of fed policy will probably be reversed again and period rates would be back on an upward trend. (IFS 1984)

Both extracts contain a prediction, a condition for fulfilment of the prediction and a prediction that the condition will be met. 10 could be paraphrased as 10a.

10a Our view is that the strike will not be extended. If this view is borne out, prices will rise only slowly in the final quarter.

(There is an adverbial hedge - probably - in 11, which is lacking in 10, but this is not material to our present concerns. There is also an odd switch from will to would in 11: a performance error, perhaps, but probably triggered by the overwhelming concern for modality.) 10 and 11 have, give or take a few modal features, something of the form of a classical syllogism:

if p then q

p

therefore q

whereas example 9 simply has the form

if p then q [3]

Thus, other factors being equal[4], predictions like 10 and 11 (with author-supported conditionals) are more committed than those like 9, which lack any comment on the likelihood of the condition being met.

Sentence 4, discussed briefly earlier in the paper, is an example of a similar device used to contrasting effect. Here the counterpart to "as we anticipate" in 10 is "contrary to the technical assumption". Thus, the condition is marked as unlikely to be fulfilled, with obvious implications for the prediction, which is nevertheless hedged (as mentioned earlier) by the modal might. The intricacy of hedge and counter-hedge is well illustrated in this sentence for the phrase "contrary to the technical assumption" is itself somewhat hedged by the impersonal attribution effect of the nominalisation "assumption" (not "we assume" so whose assumption is it?) but the adjective "technical" seems to confer some credibility on the assumption.

In ordinary language, it is not always clear whether a condition is both necessary and sufficient or merely sufficient, a distinction which logicians make by using the expression iff (if and only if) for the former. Only if sometimes occurs in our data to signal necessary conditions (though the ambiguity remains with sentences using a simple if. Sentence 12 is an example of such an expression:

> 12. Therefore, a fall in Dutch money rates or the dollar can be affected only if US interest rates fall further or the dollar starts its long-awaited downtrend. (IR Netherlands 1984)

Unlike the conditions in examples 9, 10 and 11 (which may or may not be necessary), the condition in 12 is clearly marked as an absolute prerequisite for the fulfilment of the prediction.

This contrasts with conditions of the type seen in 13, where the condition is clearly not a prerequisite but would enhance the chances of fulfilment.

> 13. From their present level of around 11%, some further modest easing in long term rates is possible especially if the election result leads to a further strengthening of the exchange rate. (IR, UK 1983)

We might call this a reinforcing condition since the validity of the prediction is clearly not subject to the condition being met, but would be strengthened if it should be met.

14 is an example of what might be called the antithetical condition.

> 14. Because of this, the Belgian franc may see its position strengthen somewhat against the D-mark, thus allowing some reduction in the excessively high 5-6 point interest rate differential. However, there would be little scope for a decline in short term rates if eurodollar rates were to rise further. (IR Belgium 1984)

Here a prediction is made, but with the proviso that its fulfilment will be blocked or at least made more difficult, by the given condition.

But unfavourable conditions can be exploited by the author as a means of stressing the strength of the prediction, as in 15.

> 15. Even if some deterioration in the payments position occurs, the Treasury will have no difficulty in the next few months in financing its deficit in the capital market. (IR Italy 1984)

Clauses of this type are classified by Quirk et al (1972) as conditional-concessive: we might label this, then, as a concessive condition. The message here is one of confidence in the prediction such that it will survive foreseeable unfavourable conditions.

Thus, to sum up the conditions in terms of the relation between the prediction and the condition, we have:

A. The sufficient condition, where the fulfilment of the prediction follows from the realisation of the condition but could result from other conditions (typically if p)

B. The necessary condition, where the fulfilment of the prediction needs the condition to be met (typically only if p)

C. The enhancing condition, where the realisation of the condition would increase the chances of the prediction's fulfilment, but is not necessary for it (typically especially if p)

D. The concessive condition, where the realisation of the condition would fail to block the prediction notwithstanding its contrary force (typically even if p)

E. The antithetical condition, where the condition is sufficient to cancel the prediction.

Some commonly occurring structures that look like conditionals turn out not to be so. For example, if at all in 16 has the meaning "and probably not p"

> 16. With total bank lending unlikely to accelerate sufficiently, if at all, the sterling M3 money supply should be met without difficulty. (UK FS 1984)

There is, however, a hidden conditional here which has nothing to do with the if-expression. 16 could be paraphrased by 16a.

> 16a Total bank lending is unlikely to accelerate sufficiently (and will probably not accelerate at all). If this is true, the sterling M3 money supply should be met without difficulty.

Thus 16 can be seen to resemble 10 and 11, with a somewhat syllogistic logical form: if p then probably q; (probably) p; therefore (probably) q (*pace* Aristotle).

An even more deceptive realisation is found in 17, where the if-clause contains the prediction, and the main clause, in effect, expresses the condition.

> 17. A rise in the Deutschmark may require continued tight monetary policies in these countries if depreciation-induced inflation is to be avoided. (OECD 1984)

We could conceivably paraphrase this as 17a.

17a If there is a rise in the Deutschmark, tight monetary policies in these countries may require to be continued. If tight monetary policies are continued, inflation can be avoided.

Less controversially, the underlined section of example 18 can be paraphrased as 18a.

18. Mill use will probably decline again in Western Europe since, despite an aggressive policy to curb textile imports, import penetration is likely to continue, albeit at a reduced rate, and if there is a recovery of economic growth it will be weak, under 2 per cent. (WCO 1093)

18a i) Mill use will probably decline again in Western Europe

ii) if import penetration continues

iii) and we predict that import penetration will continue.

The second prediction 18, in spite of its grammatical realisation, is not a conditional at all in our sense but a hedge of the if-any type and can be paraphrased as 18b.

18b A recovery of economic growth will be weak, under 2 per cent, and there may be no recovery at all.

Another example of a hidden conditional is 19.

19. Any easing of American short-term rates together with a continuing strong position of the guilder, within the EMS, owing to the favourable development of the current account, will put downward pressure on Dutch money market rates in the coming months. (IR Netherlands 1983)

Here the subject-NP "any easing of American short-term rates" conveys the conditional meaning "If there is an easing of American short-term rates" ("any" here having the force of "hypothetical".)

Applications

Advanced ESP students of economics are likely to have difficulty in grasping the subtleties of the qualification placed on prediction. As already mentioned, there is evidence that ESP writing is frequently weak in the area of modality (Stubbs, Rounds, Skelton, op cit, our specialist informant), the tendency being to make claims which strike native speaker experts as too sweeping or lacking in academic caution. It is plausible that the limitations thus manifest in writing at least partially reflect a failure to perceive the force of such 'commenting' elements in reading materials. Whether the requirement to be tentative in predicting is a universal or a culturally determined phenomenon, it is clear that the realisation of tentativeness takes complex and subtle forms. This paper has presented only a glimpse of this complexity and subtlety.

It is probable that even native speakers have to learn to handle these phenomena effectively in written texts since, even though they exist in spoken language and are to that extent naturally required, skill in exploiting them improves perceptibly with tuition. (See Bloor 1984 for the distinction between 'skills acquired naturally' and 'skills taught in the education system'.)

Since forecasting is such an important part of economics activity outside the academic arena, a clear understanding of its form and function is of importance for teachers responsible for training ESP students working in the economics field, as well as those concerned with communications for native speaker economists. Since, as Stubbs observes (op cit:21), 'We do not have even the simplest taxonomic descriptive information' for many of these phenomena, there is still a role for descriptive analysis. By means of what has now become the standard ESP methodology (see Bloor and Bloor, 1986), students can be not only exposed to appropriate authentic texts, but also be given the 'systems-support' (Edge and Samuda 1981) which focuses on the aspects of the text most likely to present problems, or, to put it more positively, most likely to yield useful results.

Notes

1. Marjorie Orr 'Star Options' in Options magazine, August 1986, pp 163-164

2. This terminology is potentially misleading here as the 'comment' may itself take the form of a proposition.

3. It must be understood that this is an analogy. The utterance is not strictly a syllogism. We also assume that p and q may have optional negativity and recursive properties.

4. We have in mind such factors as attribution, lexical hedges and the inherent likelihood of the conditions being met.

Key to data sources

OECD	OECD Economic Outlook (Organisation for Economic Co-operation and Development)
IR	ABECOR country reports (Association of European Banks)
WCO	World Commodity Outlook 1983 (Economist Intelligence Unit)
IFS	International Financial Surveys (Barclays Bank)
UK-FS	United Kingdom Financial Surveys (Barclays Bank)
IES	International Economic Surveys (Barclays Bank)

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